

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

In re:

CARBIDE INDUSTRIES, LLC,

Case No.: 6:14-bk-09894-KSJ

Chapter 11

Debtor.

DEBTOR'S MOTION FOR APPROVAL OF
AGREEMENT FOR USE OF CASH COLLATERAL

The Debtor, Carbide Industries, LLC, moves for approval, pursuant to F.R.B.P. 4001(d), of its agreement with BankFIRST for use of cash collateral, and says:

NOTICE OF OPPORTUNITY TO OBJECT AND REQUEST FOR HEARING

Pursuant to Local Rule 2002-4, the Court will consider this motion, objection, or other matter without further notice or hearing unless a party in interest files a response within 14 days from the date set forth on the proof of service attached to this paper plus an additional three days for service. If you object to the relief requested in this paper, you must file your response with the Clerk of the Court at George C. Young Federal Courthouse, 400 West Washington Street, Suite 5100, Orlando, FL 32801, and serve a copy on the movant's attorney, Peter N. Hill, Esquire, 1851 West Colonial Dr., Orlando, Florida 32804 within the time allowed.

If you file and serve a response within the time permitted, the Court may schedule and notify you of a hearing, or the Court may consider the response and may grant or deny the relief requested without a hearing. If you do not file a response within the time permitted, the Court will consider that you do not oppose the relief requested in the paper, will proceed to consider the paper without further notice or hearing, and may grant the relief requested.

1. BankFIRST, through counsel, has agreed to entry of the Court's standard order authorizing use of cash collateral. While no written agreement for use of cash collateral exists between the parties, evidence of the agreement is the email chain between counsel attached hereto as Exhibit A.

2. A proposed form of order is attached hereto as Exhibit B.

3. The Debtor's cash collateral budget is attached as Exhibit C.

4. To the extent, if any, BankFIRST will later require additional protections, as suggested in Exhibit A, paragraph of Exhibit B is clear that the order is "without prejudice to: (a) any subsequent request by a party in interest for modified adequate protection or restrictions on use of cash collateral; or (b) any other right or remedy which may be available to the Secured Creditor."

WHEREFORE, the Debtor moves for approval of its agreement with BankFIRST for use of cash collateral for the reasons stated.

/s/ Peter N. Hill

Peter N. Hill

Florida Bar No. 368814

Wolff, Hill, McFarlin & Herron, P.A.

1851 W. Colonial Dr.

Orlando, FL 32804

Telephone: (407) 648-0058

Fax: (407) 648-0681

Email: phill@whmh.com

Attorneys for the Debtor

Peter N. Hill

From: Kane, Jon <jkane@burr.com>
Sent: Tuesday, September 09, 2014 5:47 PM
To: Peter N. Hill
Cc: jh@inwoodcapitaladvisors.com
Subject: RE: Carbide Industries

Peter --

Do you want to send me the basic Jennemann cash collateral order - for 30 days while I talk about post-petition financing with my client? We can add more protections to the next order.



Jon E. Kane • Partner

Suite 800 • 200 South Orange Avenue • Orlando, Florida 32801

direct 407-540-6625 • fax 407-650-2609 • main 407-540-6600

jkane@burr.com • www.burr.com

ALABAMA • FLORIDA • GEORGIA • MISSISSIPPI • TENNESSEE

The information contained in this email is intended for the individual or entity above. If you are not the intended recipient, please do not read, copy, use, forward or disclose this communication to others; also, please notify the sender by replying to this message, and then delete this message from your system. Thank you.

From: Peter N. Hill [<mailto:PHill@whmh.com>]
Sent: Monday, September 08, 2014 10:28 AM
To: Kane, Jon
Cc: jh@inwoodcapitaladvisors.com
Subject: Carbide Industries

Jon,

Carbide is going to need money for operations very soon. Please let me know when I might expect to receive a draft cash collateral agreement and when you think you will know if BankFIRST will provide DIP financing.

Thanks.

Peter



Peter N. Hill
Wolff, Hill, McFarlin & Herron, P.A.
1851 W. Colonial Drive
Orlando, Florida 32804
Phone: 407-648-0058
Fax: 407-648-0681

Exhibit "B"

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

In re:

CARBIDE INDUSTRIES, LLC,

Case No.: 6:14-bk-09894-KSJ

Chapter 11

Debtor.

ORDER APPROVING ON PRELIMINARY BASIS AGREEMENT FOR
DEBTOR'S USE OF CASH COLLATERAL AND SETTING FURTHER HEARING

This case came on without a hearing to consider the Debtor's Motion for Approval of its Agreement with BankFIRST for Use of Cash Collateral (the "Motion") (Doc. No. ____). The Motion was served by negative notice and no appropriate response was timely filed. Accordingly, it is

ORDERED:

1. The Motion (Doc. No. ____) is granted on a preliminary basis.
2. Cash Collateral Authorization. Subject to the provisions of this order, the Debtor is authorized to use cash collateral to pay: (a) amounts expressly authorized by this Court, including payments to the United States Trustee for quarterly fees; (b) the current and necessary expenses set forth in the budget attached as Exhibit A, plus an amount not to exceed ten (10) percent for each line item; and (c) such additional amounts as may be expressly approved in writing by BankFIRST (the "Secured Creditor"). This authorization will continue until further order of the Court. Except as authorized in this order, the Debtor is prohibited from use of cash collateral.

Exhibit "B"

3. Debtor Obligations. Debtor shall timely perform all obligations of a debtor- in-possession required by the Bankruptcy Code, Federal Rules of Bankruptcy Procedure, and the orders of this Court.

4. Access to Records and Premises. Upon reasonable notice, and provided that it does not unreasonably interfere with the business of the Debtor, the Debtor shall grant to the Secured Creditor access to the Debtor's business records and premises for inspection.

5. Replacement Lien. Each Secured Creditor with a security interest in cash collateral shall have a perfected post-petition lien against cash collateral to the same extent and with the same validity and priority as the prepetition lien, without the need to file or execute any document as may otherwise be required under applicable non-bankruptcy law.

6. Insurance. Debtor shall maintain insurance coverage for its property in accordance with the obligations under the loan and security documents with the Secured Creditor.

7. Without Prejudice. This order is without prejudice to: (a) any subsequent request by a party in interest for modified adequate protection or restrictions on use of cash collateral; or (b) any other right or remedy which may be available to the Secured Creditor.

8. Creditors Committee. The provisions of this Order are without prejudice to the rights of the United States Trustee to appoint a committee or any rights of a duly appointed committee to challenge the validity, priority or extent of any lien(s) asserted against cash collateral.

Exhibit "B"

9. Enforcement. The Court shall retain jurisdiction to enforce the terms of this Order.

10. The Court shall hold a status conference on the Debtor's use of cash collateral on **October 8, 2014 at 2:00 p.m.**

DONE AND ORDERED in Orlando, Florida, on _____.

KAREN S. JENNEMANN
Chief United States Bankruptcy Judge

Attorney, Peter N. Hill, is directed to serve a copy of this order on interested parties and file a proof of service within 3 days of entry of the order.

Carbide Industries, LLC

Proposed Budget

September

	Sept	Oct	Nov	Dec	Jan	Feb
INCOME	422,611	484,340	549,174	575,757	754,845	739,289
OPERATING EXPENSES						
Bank First Loans:	-	-				
200,000.00 Loan	2,226	2,226	2,226	2,226	2,226	2,226
300,000.00 Loan	3,167	3,167	3,167	3,167	3,167	3,167
Cap Line	4,002	6,502	4,002	4,002	4,001	6,502
Rent	11,863	11,863	11,863	11,863	11,863	11,863
Equipment Leases:	-					
Direct Capitol	1,876	1,876	1,876	1,876	1,876	1,876
GE Capitol-Weeke	3,498	3,498	3,498	3,498	3,498	3,498
GE Capitol-Conveyor	1,025	1,025	1,025	1,025	1,025	1,025
Susquehana	2,217	2,217	2,217	2,217	2,217	2,217
Wells Fargo	4,530	4,530	4,530	4,530	4,530	4,530
Life Insurance	676	676	676	676	676	676
Dental Insurance	121	121	121	121	121	121
Liability Insurance	5,342	5,342	3,542	3,542	5,342	5,342
W/C Insurance	1,956	1,956	1,956	1,956	1,956	1,956
Wright Express-Fuel Bill for Trucks	4,700	4,700	4,700	4,700	4,700	4,700
Electric	3,700	3,700	3,700	3,700	3,700	3,700
Phone	550	550	550	550	550	550
Water	300	300	300	300	300	300
Trash	960	960	960	960	960	960
Postage	49	49	49	49	49	49

Shipping-Fedex	1,200	1,200	1,200	1,200	1,200	1,200
Legal Fees	5,000	5,000	5,000	5,000	5,000	5,000
Accounting Fees	5,000	5,000	5,000	5,000	5,000	5,000
Payroll	90,000	90,000	90,000	90,000	90,000	90,000
Sub-Contractor Installers	40,000	40,000	40,000	40,000	40,000	40,000
Commissions	4,000	4,000	4,000	4,000	4,000	4,000
Sales Tax-Multiple States	25,000	25,000	25,000	25,000	25,000	25,000
Office Supplies	250	250	250	250	250	250
Office Cleaning	400	400	400	400	400	400
Landscape Maintenance	250	250	250	250	250	250
Blade Sharpening	250	250	250	250	250	250
Misc. Warehouse Supplies	2,000	2,000	2,000	2,000	2,000	2,000
Ocean Freight	34,036	34,036	34,036	34,036	34,036	34,036
Materials	140,000	185,302	164,752	172,727	226,453	221,787
Trucking	2,000	2,000	2,000	1,000	1,000	1,000
US Trustee Fees	975			975		
Security Deposit						
TOTAL OPERATING EXPENSES	403,118	449,946	425,095	433,045	487,596	485,431
NET INCOME (LOSS) BEFORE DEBT SERVICE	19,493	34,394	124,079	142,712	267,249	253,858